

# Report



## Standards Committee

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### Part 1

Date: 18<sup>th</sup> January 2024

Item No:

**Subject** Register of Gifts and Hospitality

**Purpose** To enable the Standards Committee to:

- (i) Consider the current arrangements for the acceptance and registration of gifts and hospitality by Members.
- (ii) Consider the threshold for registration in the interests of consistency across Wales.

**Author** Head of Law and Standards

**Ward** General

**Summary** As part of their terms of reference, the Standards Committee are required to promote and maintain high standards of conduct by councillors. This report presents the current arrangements for registration of gifts and hospitality by Members including the current financial threshold for registration of member gifts and hospitality.

**Proposal** To note the Report regarding protocol for members' gifts and hospitality and to consider whether any review of the guidance is required.

**Action by** Head of Law and Standards

**Timetable** Immediate

## Background

### 1. The Members Code of Conduct.

Paragraph 9(b) of the Code provides that: -

*"You must - avoid accepting from anyone gifts, hospitality (other than official hospitality, such as a civic reception or a working lunch duly authorised by your authority), material benefits or services for yourself or any person which might place you, or reasonably appear to place you, under an improper obligation."*

Paragraph 7(a) provides that: -

*"You must not - in your official capacity or otherwise, use or attempt to use your position improperly to confer on or secure for yourself, or any other person, an advantage or create or avoid for yourself, or any other person, a disadvantage."*

Paragraph 17 provides that: -

*"You must within 28 days of being offered any gift, hospitality, material benefit or advantage above a value specified in a resolution of your authority, provide written notification to your authority's Monitoring Officer of the existence and nature of that gift, hospitality, material benefit or advantage."*

2. The Members Register of Gifts and Hospitality is open to public inspection. There is a de minimis level of £25 for the registration of members' gifts and hospitality. Appendix 1 contains details of the register of members interests from 2015-2023
3. The relevant form for the registration of members' interests is set out in Appendix 2. Gifts and hospitality valued at less than £25 do not need to be registered, although this does not mean that anything of less value should be accepted.
4. Appendix 3 sets out the comparable values fixed by other Welsh Local Authorities for the registration of members gifts and hospitality. The Newport threshold of £25 in line with the average.
5. Appendix 4 sets out the full Protocol for Members on Gifts and Hospitality that has been in place since 2017. The Welsh Government Statutory and Non-Statutory Guidance for Principal Councils in Wales (including guidance on standards of conduct) recommends the approach to gifts and hospitality is reviewed and agreed within individual principal councils and that the regular review of thresholds for declaration of gifts, hospitality, material benefit or advantage, are included in standards committee's annual report. This will assist in terms of transparency of the arrangements and will be reflected in the committee's next annual report which will be prepared following the end of the financial year 2023/24.

## Financial Summary

6. There are no financial implications.

## Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk	Who is responsible for dealing with the risk?
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			or reduce its effect?	
Failure to consider the protocols and guidance in place to support good governance may lead to a lack of good governance	M	M	Mitigated through the controls set out in the Constitution and regular reporting to relevant Committee for consideration	Head of Law and Standards

### Links to Council Policies and Priorities

The Council's Corporate Plan commits to deliver a number of key objectives in relation to regeneration, investment, environmental and digital objectives. Having appropriate governance arrangements in place supports the successful delivery of these objectives by complying with relevant legislation and best practice, and minimising risk to the Council.

### Options Available

- (a) To note the Report and retain the current threshold of £25 for the registration of Members gifts and hospitality.
- (b) To note the report and make a recommendation to Council that the current threshold of £25 for the registration of Members gifts and hospitality should be revised

### Preferred option and why

- (a) That the Committee notes the Report and retains the current threshold of £25 for the registration of Member gifts and hospitality, in line with the national average.

### Comments of Chief Financial Officer

There are no financial implications arising from this report.

### Comments of Monitoring Officer

Included in the Report.

### Comments of Head of People, Policy, and Transformation

The Gifts and Hospitality guidance form part of the Council's governance arrangements, ensuring transparency and fairness. The proposed threshold of £25 is in line with the average across other Welsh Local Authorities. There are no staffing implications within this report.

### Fairness and Equality Impact Assessment:

- Wellbeing of Future Generation (Wales) Act
- Equality Act 2010

- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

Whilst this is not a new policy or protocol, the arrangements in place to record and monitor gifts and hospitality supports the 'Prevention' way of working under the Wellbeing of Future Generation (Wales) Act. Having adequate controls in place to manage matters relating to the Code of Conduct protects employees, members and the Council from potential breaches and the consequences of failing to comply with the relevant legislation.

### **Consultation**

As the Code of Conduct is an established protocol no consultation has been conducted in the development of this paper

### **Background Papers**

[5.1.1 Code of Conduct.pdf \(newport.gov.uk\)](#)

[HR-Employee-Code-of-Conduct \(newport.gov.uk\)](#)

Dated: 8<sup>th</sup> January 2024

## APPENDIX 1

### Members Register of Gifts and Hospitality (May 2015 – December 2023)

<i>Details of Gift / Hospitality (Provider)</i>
1. Attendance at Health and Care Awards Dinner (Aneurin Bevan University Health Board)
2. Ticket and hospitality for Newport County Game (Kevin Ward Media)
3. Attendance at Health and Care Awards Dinner (South Wales Argus and St. Joseph's Hospital)
4. Attendance at Health and Care Awards Dinner (Newport City Council)
5. Attendance at Health and Social Care Awards Dinner (South Wales Argus)
6. Refreshments at reception celebrating the opening of a restaurant (Seafood Shack)
7. Attendance at awards lunch at the Celtic Manor (Pride in Pill Awards)
8. Attendance at dinner incorporating the inaugural Zienkiewicz lecture (Swansea University)
9. Attendance at Health and Care Awards dinner (South Wales Argus and St. Joseph's Hospital)
10. Refreshments at reception at Chepstow Racecourse (South Wales Argus, St Joseph's Hospital)
11. Attendance at Health and Care Awards Dinner (South Wales Argus and St. Joseph's Hospital)
12. Vouchers received for spa treatments, Celtic Manor (from Head Coach of Gassors Tournament Team, in appreciation of support in fundraising for a youth to attend a Tai Kwando world championship)
13. Lunch for two (Tour of Britain)
14. Attendance at 25 <sup>th</sup> Business Anniversary Dinner at the Coldra Court (Kymin Financial Services)
15. Attendance at 40 <sup>th</sup> Business Anniversary Dinner plus wine (Premier Forest Ltd)
16. Attendance at Pride of Gwent Awards lunch (Pride in Pill)

17. Attendance at gala dinner at the Celtic Manor (The Wales Bangladesh Chamber of Commerce)
18. Two tickets to a theatre show (Riverfront Theatre)
19. Hospitality at Newport County Game (Armed Forces Veterans Hub)
20. Meal and drinks (Dragons Rugby)
21. Hospitality at Newport County Game (Armed Forces Veteran Hub)

**APPENDIX 2**

**NEWPORT CITY COUNCIL**

**DECLARATION BY COUNCILLORS OF RECEIPT OF GIFT AND/OR HOSPITALITY**

Paragraph 17 of the Authority's Code of Conduct requires that Councillors must provide written notification to the Monitoring Officer of the receipt of any gift, hospitality, material benefit or advantage above **£25** in value.

<b>Name of Councillor</b>	
<b>Details of gift and/or hospitality received</b>	
<b>Member's comments if any</b>	
<b>Signed</b>	<b>Date</b>

This form should be completed and returned to the Head of Law and Standards **within 28 days** of the receipt of the gift or hospitality concerned.

### APPENDIX 3

#### GIFTS & HOSPITALITY THRESHOLD – 2023/24

Authority	Threshold	Comment
Blaenau Gwent	£20	
Bridgend	£25	
Caerphilly	£25	
Cardiff	£25	Procedures were reviewed in February 2023, but the threshold was not changed.
Carmarthenshire	£25	
Ceredigion	£21	
Conwy	£25	
Denbighshire	£25	Last reviewed just before the 2012 elections
Flintshire	£10	
Gwynedd	£25	
Merthyr		Everything must be registered
Mid and West Wales Fire and Rescue Service	£25	
Monmouthshire		No specific threshold
Neath Port Talbot		Everything must be registered.



Authority	Threshold	Comment
Pembrokeshire	£25	
Powys	£25	
Rhondda Cynon Taf	£25	
South Wales Fire and Rescue Service	£25	
South Wales Police		Everything must be registered
Swansea	£25	
Torfaen	£25	
Vale of Glamorgan	£50 – gifts £25 - hospitality	all gifts and hospitality totalling over £100 from a single source within a year also to be registered
Wrexham	£25	
Ynys Mon	£20	

## **APPENDIX 4**

### **PROTOCOL FOR MEMBERS ON GIFTS AND HOSPITALITY**

#### **1. Introduction**

- 1.1 This Protocol is intended to provide general guidance for Members (and co-opted members) of the Council in connection with the acceptance and registration of gifts and hospitality. It is not possible to provide comprehensive and definitive advice in relation to every conceivable scenario, only general principles, and guidelines to assist Members in taking decisions.
- 1.2 If Members have any doubt about whether to accept any specific offers of gifts or hospitality, or whether there is any need to record such gifts or hospitality in the Register of Members interests, then they should seek further advice from the Monitoring or Deputy Monitoring Officer. However, the final decision and responsibility rests with each individual Member.
- 1.3 As an overriding principle, Members should treat with extreme caution any offer of a gift or hospitality made to them personally in any official capacity or in their role as Councillors or members of the Council. Members are personally responsible for any decision to accept an offer of a gift or hospitality, and any inappropriate acceptance of such an offer can give rise to a serious breach of the Members Code of Conduct and seriously damage the reputation of both the individual Member concerned and the Council.

#### **2. The Legal Framework.**

##### **2.1 Criminal Offences.**

Accepting any bribe or any other fee or inducement in return for any favour in connection with Council business is a criminal offence under the Bribery Act 2010 and the Prevention of Corruption Acts. An abuse of public trust by anyone holding public office can also constitute an offence of misconduct in public office. If any Member has received any gift, loan, fee, reward, or advantage from somebody seeking to obtain a contract or any favourable decision from the Council, then the onus will be on the Member concerned (and the person giving the gift or reward) to prove that there was no dishonesty involved.

##### **2.2 The Members Code of Conduct.**

Paragraph 9(b) of the Code provides that: -

*"You must - avoid accepting from anyone gifts, hospitality (other than official hospitality, such as a civic reception or a working lunch duly authorised by your authority), material benefits or services for yourself or any person which might place you, or reasonably appear to place you, under an improper obligation."*

Paragraph 7(a) provides that: -

*"You must not - in your official capacity or otherwise, use or attempt to use your position improperly to confer on or secure for yourself, or any other person, an advantage or create or avoid for yourself, or any other person, a disadvantage."*

Paragraph 17 provides that: -

*"You must within 28 days of being offered any gift, hospitality, material benefit or advantage above a value specified in a resolution of your authority, provide written notification to your authority's Monitoring Officer of the existence and nature of that gift, hospitality, material benefit or advantage."*

### **3. General Principles.**

#### **3.1 Improper obligation**

A gift or hospitality should never be accepted as a reward or inducement to act or vote in a particular way as a Councillor or as a means of obtaining influence. They should also be refused where acceptance of the gift or hospitality could give the impression that this would place the member under any improper obligation.

#### **3.2 Benefit to the Council**

Gifts or hospitality should only be accepted if there is a clear benefit to the Council (rather than to Members personally). The benefit should be proportionate to the value of the gift or hospitality.

Any offers which do not have any proper purpose connected with the Council should be refused (e.g. private holidays, hospitality for purely sporting or social events outside the Council area where there is no general expectation that the Council should be represented, nor any clear connection with Council functions).

#### **3.3 Public perception**

Gifts or hospitality should not be accepted if to do so would leave the Council or the Member open to accusations of misconduct. Members must not only conduct themselves properly, but they must also avoid any perception of impropriety.

#### **3.4 Soliciting a gift or hospitality.**

Gifts or hospitality should never be sought or invited in connection with a Member's official role.

#### **3.5 Private gifts and hospitality**

Members do not need to register gifts and hospitality which are not related to their role as a Member, such as personal gifts from friends and family.

### **4. Gifts**

4.1 A "gift" includes free goods and services, the opportunity to buy goods/services subject to a discount or terms which are not available to the public, or the opportunity to buy goods/services that are not available to the public. It also includes any material benefit or advantage offered to a Member which is not available to the general public.

4.2 Members may accept civic gifts on behalf of the Council and such gifts do not need to be registered. For example, the Mayor or Leader of the Council may accept commemorative gifts and items in recognition of events or work that the Council has been involved in, such as twinning arrangements, civic functions, or major projects.

Such civic gifts are the property of the Council, not the individual Member, and must be retained at the Council offices.

- 4.3 Members should not accept personal gifts in connection with their position as a Councillor. However, Members may accept small and insignificant gifts such pens, diaries etc.
- 4.4 Members should refuse any gift offered to them, or to members of their immediate family, from any person or organisation doing business or seeking to do business with the Council or applying to the Council for any decision (e.g. licensing or planning applications or tendering for any Council contract).
- 4.5 When a gift has to be declined, the offerer should be courteously but firmly informed of the procedures and standards operating within the Council. If such a gift is delivered:
  - it must be returned immediately to the sender giving reasons for its rejection.
  - the acceptance and return of gifts over £25.00 should be registered.
  - where an offerer insists that a Member accepts the gift, with the agreement of the offerer it may be donated to the Mayor's charity or some other suitable charitable purpose.

## **5. Hospitality.**

- 5.1 It is accepted that events which include hospitality can often be an appropriate and successful forum for promoting the Council and its aims and objectives, economic, social, or otherwise. A balance therefore needs to be achieved between the aims of promoting the Council and the City of Newport and the need for Members to be mindful of the perception of others when accepting hospitality. The following principles should be observed by Members.
- 5.2 Members should never ask for or solicit hospitality at any time.
- 5.3 Members should only accept offers of hospitality if there is a genuine need to impart information or represent the Council in the event where hospitality is provided. Particular care should be taken that the level of hospitality provided is proportionate to the nature and importance of any issues to be discussed at such an event.
- 5.4 Members should avoid hospitality in any situation where they would be the sole guest or where the offer of hospitality is from anyone doing business or seeking to do business with the Council or applying to the Council for any decision.
- 5.5 Offers to attend social or sporting functions should only be accepted when there is a legitimate reason to promote the economic or social wellbeing of the city, and the Monitoring Officer's advice should be obtained in respect of any such functions which are outside the Newport area.
- 5.6 Where site visits are required as part of the process of making decisions, Members should ensure that the Council meets the cost of such visits to avoid undermining or compromising the integrity of subsequent decisions.
- 5.7 Members may accept hospitality through attendance at relevant conferences and courses where it is clear that the hospitality is corporate rather than personal, and where attendance is an approved Council duty.
- 5.8 Members may accept normal refreshment in connection with their work as a Councillor (tea, coffee, biscuits etc.).

- 5.9. Attendance at Civic or other events organised or sponsored by the Council do not need to be registered, for example, Mayor-making, Civic Sunday, Remembrance Sunday.
- 5.10 If a Member receives hospitality as a representative of an outside body, then the Member concerned should comply with that organisation's Protocol on Gifts and Hospitality.
- 5.11 When receiving authorised hospitality, Members should be particularly sensitive as to its timing in relation to decisions which the Council may be taking affecting those providing the hospitality.

## **6. Registration**

- 6.1 Under the Council's Code of Conduct, a Member must register any gift or hospitality that he/she receives that is worth more than £25.00. In accordance with the Ombudsman's Guidance, it is also good practice to provide a written note of any offers of gifts and hospitality which have been refused or declined.
- 6.2 The register of gifts and hospitality register is maintained by the Monitoring Officer who should be informed in writing of any gift or hospitality received or refused that is worth more than £25.00. Members should complete and return the attached Form within 28 days of being offered the gift or hospitality. The register of gifts and hospitality will be available for public inspection.
- 6.3 The figure of £25.00 is only relevant when considering whether the gift or hospitality needs to be registered. It does not mean that Members can accept all gifts or hospitality worth less than that. Members must consider very carefully whether or not to accept any offer, whatever its value, in accordance with the Code of Conduct and the advice contained in this Protocol.
- 6.4 The Ombudsman's Guidance provides that, if a Member is in any doubt as to the value of any gift or hospitality, you should err on the side of caution and register it as a matter of good practice, in accordance with the principles of openness and accountability in public life.
- 6.5 Members may have to estimate how much a gift or hospitality is worth. Also, an accumulation of small gifts received from the same source over a short period of time that add up to more than £25 should be registered.
- 6.6 The Code of Conduct also refers to any "material benefit or advantage". The test is whether an informed independent observer could conclude that a Member might be perceived to be better off as a consequence of receiving this benefit or advantage.
- 6.7 The Ombudsman's Guidance also refers to the need to register a separate "personal interest" under the Code, where a gift or hospitality is offered or received in particular circumstances. If any matter is under consideration by the Council which is likely to affect the person who gave a Member any gift or hospitality, then that should be declared and recorded in the register of members' interests where that is considered to be a "personal interest" under the Code. If the interest is also a "prejudicial" one, then the Member should not participate in the Council decision.